

1 HOUSE JOINT RESOLUTION NO. 40

2 INTRODUCED BY D. FERN

3
4 A JOINT RESOLUTION OF THE SENATE AND THE HOUSE OF REPRESENTATIVES OF THE STATE OF
5 MONTANA REQUESTING AN INTERIM STUDY OF THE ELECTRIC SECTOR IMPACTS OF
6 CRYPTOCURRENCY FACILITIES; AND REQUIRING THAT THE FINAL RESULTS OF THE STUDY BE
7 REPORTED TO THE 69TH LEGISLATURE.
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9 WHEREAS, Montana's electric demand is projected to grow in the coming decade; and

10 WHEREAS, cryptocurrency mining operations will create additional demand on electric generation
11 resources in a time of tightening electric supply; and

12 WHEREAS, cryptocurrency operations in other states have resulted in operators selling power at
13 extremely high rates to other customers during times of extremely high demand periods; and

14 WHEREAS, two recent large bank failures were connected to cryptocurrency operations; and

15 WHEREAS, the Montana Commissioner of Securities and Insurance recently accused a Montana
16 cryptocurrency operation of fraud and financial crimes; and

17 WHEREAS, cryptocurrency operations have potential positive and negative economic, social, and
18 environmental impacts on the state; and

19 WHEREAS, the state is already considering issues surrounding electric capacity and resource
20 adequacy; and

21 WHEREAS, the cryptocurrency industry has exhibited marked volatility in the past 2 years; and

22 WHEREAS, the state lacks information regarding the location and scope of existing cryptocurrency
23 mining operations and projected impacts due to potential rapid industry growth.
24

25 NOW, THEREFORE, BE IT RESOLVED BY THE SENATE AND THE HOUSE OF REPRESENTATIVES OF
26 THE STATE OF MONTANA:

27 That the Legislative Council be requested to designate an appropriate interim committee or statutory
28 committee, pursuant to section 5-5-217, MCA, or direct sufficient staff resources to:

- 1 (1) analyze existing and potential electric demand created by cryptocurrency operations in the
- 2 state;
- 3 (2) examine any impacts of cryptocurrency operations on the existing electricity system in the
- 4 state;
- 5 (3) examine potential mitigation practices or requirements regarding cryptocurrency operations
- 6 during peak demand periods;
- 7 (4) examine potential ratemaking practices for cryptocurrency operations; and
- 8 (5) examine any other issues regarding cryptocurrency operations' impact on the electric system
- 9 that the committee considers relevant.

10 BE IT FURTHER RESOLVED, that if the study is assigned to staff, any findings or conclusions be
11 presented to and reviewed by an appropriate committee designated by the Legislative Council.

12 BE IT FURTHER RESOLVED, that all aspects of the study, including presentation and review
13 requirements, be concluded prior to September 15, 2024.

14 BE IT FURTHER RESOLVED, that the final results of the study, including any findings, conclusions,
15 comments, or recommendations of the appropriate committee, be reported to the 69th Legislature.

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